A0400-1

The Aluminum Situation

Seasons Greetings

ECONOMICS AND STATISTICS **DECEMBER 1990**

INDUSTRY SHIPMENTS DOWN 3.7 PERCENT FROM 1989

Through ten months of 1990, net shipments totaling 13,253 million pounds, decreased 3.7 percent from the 1989 comparative level of 13,760 million pounds. Domestic shipments, totaling 11,133 million pounds, were down 6.0 percent from the 1989 total of 11,845 million pounds.

U.S. exports of aluminum ingot and mill products, totaling 2,120 million pounds during ten months, have increased 10.6 percent from the 1989 total of 1,916 million pounds.

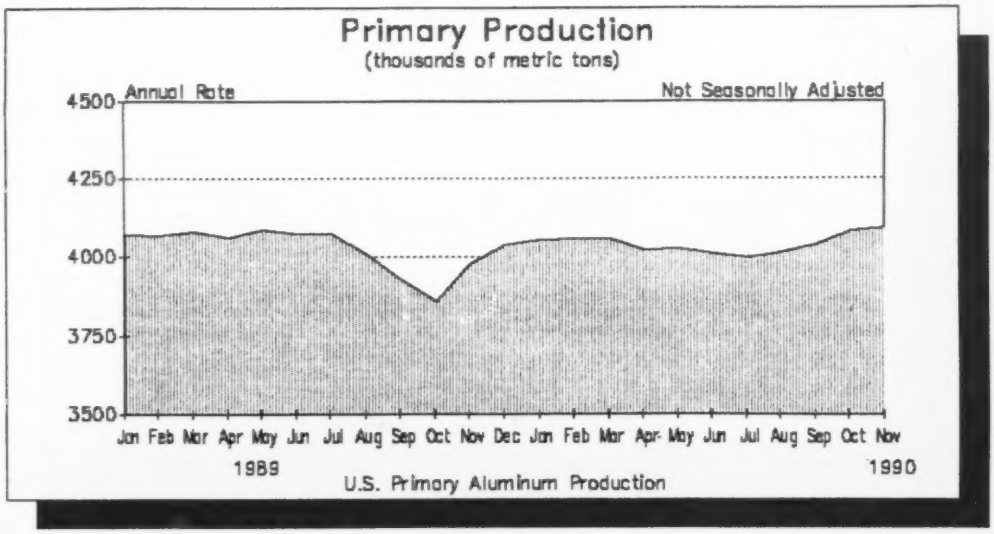
THRU OCTOBER 1990

	1990 10 Mos.	1989 10 Mos.	% Change
Mill Products	10,871	11,072	-1.8
Ingot	2,382	2,688	-11.4
Total	13,253	13,760	-3.7
Less Exports	2,120	1,916	10.6
Domestic Total	11,133	11,845	-6.0

Figures in Millions of Pounds
Source: Bureau of the Census
U.S. Department of Commerce

PRIMARY PRODUCTION DAILY RATE REPORTED AT 11,225 METRIC TONS

U.S. primary aluminum production averaged 11,225 metric tons daily during November 1990. This compares with an average of 10,914 metric tons a day in November 1989 and 11,199 metric tons a day in October 1990. The annual rate of production in November 1990 was 4,097,028 metric tons compared with 3,983,622 metric tons in November 1989 and 4,087,647 metric tons in October 1990. Production in November 1990 totaled 336,742 metric tons.



This report contains information reported to the Association by the domestic producers, which is aggregated by the Association. While the Association believes that its statistical procedures and methods are reliable, it does not warrant the accuracy or completeness of the data. All data contained herein are subject to revision.

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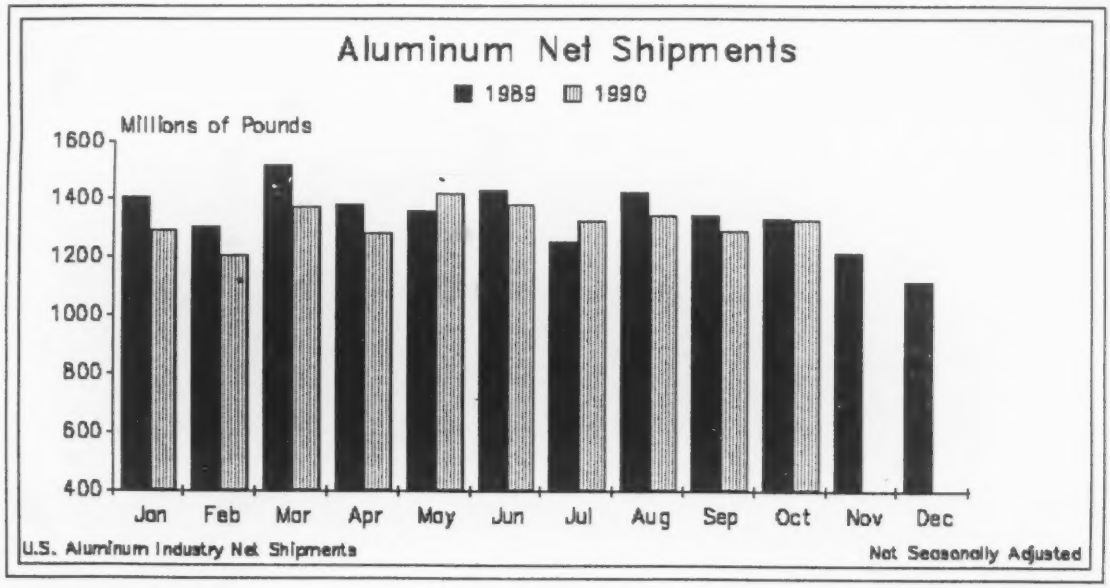
OCTOBER INDUSTRY SHIPMENTS REPORTED AT 1,330 MILLION POUNDS

October industry net shipments totaling 1,330 million pounds increased 3.1 percent from the previous month's revised total of 1,291 million pounds. Year-to-date, industry net shipments totaling 13,253 million pounds, decreased 3.7 percent from the 1989 level of 13,760 million pounds for the same period.

During ten months of 1990, producer shipments of aluminum rod, bar and wire, totaling 263 million pounds, increased 37.4 percent over the previous year while shipments of sheet, plate and foil totaling 7,146 million pounds have decreased 1.9 percent. Shipments of extruded shapes and tube, totaling 2,131 million pounds, declined 6.0 percent from the same period in 1989.

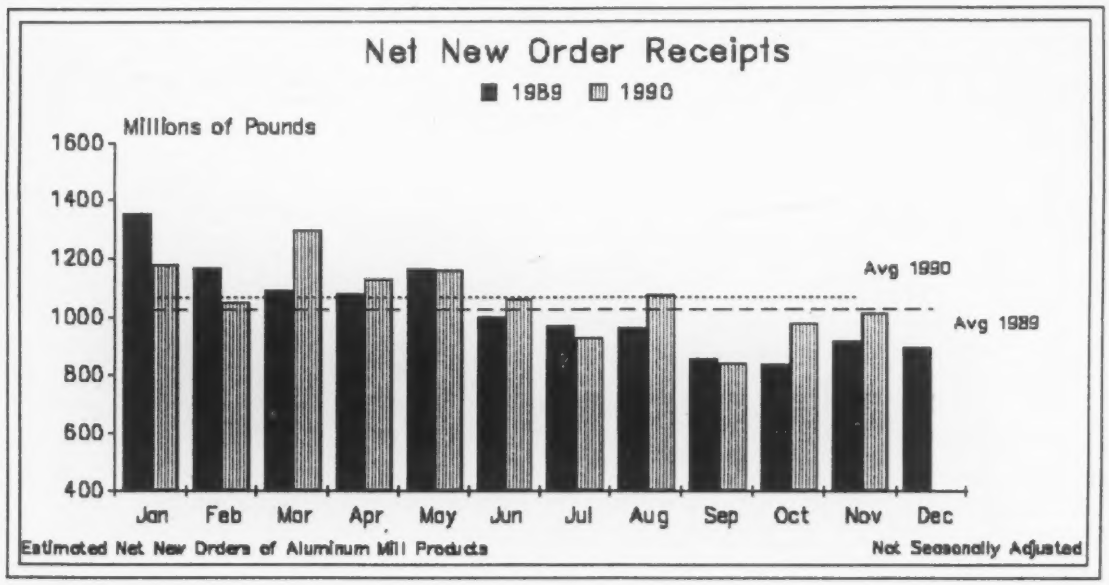


NET SHIPMENTS (Millions of Pounds)	1990 October	1989 October	1990 10 Mos.	1989 10 Mos.	% Change 1990 vs 1989
Sheet	630.7	592.7	6,160.4	6,265.8	-1.7
Plate	20.4	24.6	212.4	264.2	-19.6
Foil	83.3	79.0	773.6	752.4	2.8
Rod,Bar & Wire	24.4	27.2	262.5	191.1	37.4
Elec. Conductor	50.6	56.7	501.0	588.4	-14.9
Extruded Shapes,Tube	202.7	235.4	2,130.5	2,266.3	-6.0
Powder & Paste	8.5	7.5	83.2	77.6	7.1
Forgings & Impacts	14.5	14.4	131.9	134.7	-2.1
Net Imports of Mill Products (Total) (a)	62.9	55.6	615.5	531.9	15.7
Total Mill Products	1,098.0	1,093.2	10,871.0	11,072.5	-1.8
Ingot	232.0	240.8	2,382.0	2,688.0	-11.4
TOTAL INDUSTRY SHIPMENTS	1,330.0	1,334.0	13,252.9	13,760.4	-3.7
Exports	228.2	230.8	2,119.7	1,915.9	10.6
TOTAL DOMESTIC SHIPMENTS	1,101.8	1,103.2	11,133.3	11,844.6	-6.0

Source: Bureau of the Census, U.S. Department of Commerce - CIR M33-D
Note: Cummulative data includes revisions for previous periods
(a) Not included in product data above.

INDUSTRY NEW ORDERS UP 2.7 PERCENT OVER 1989

Estimated net new order receipts of aluminum mill products for eleven months of 1990 totaling 11,728 million pounds, increased 2.7 percent from the previous year eleven month total of 11,422 million pounds. During the month of November, industry order receipts totaling 1,013 million pounds, increased 3.6 percent over the previous month total of 978 million pounds.



ORDER RECEIPTS (Millions of Pounds)	1990 November	1989 November	1990 11 Mos.	1989 11 Mos.	% Change 1990 vs 1989
Sheet & Plate, Other	315.0	290.9	3,856.0	3,715.2	3.8
Can Stock (a)	365.4	252.1	3,544.5	3,308.2	7.1
Foil	75.1	95.2	936.3	938.4	-0.2
Bar, Rod & Wire	35.3	28.9	486.5	375.2	29.7
Electrical Conductor	49.4	40.3	512.3	596.8	-14.2
Extruded Shapes & Tube	156.1	195.8	2,138.5	2,246.6	-4.8
Powder & Paste	7.7	7.1	117.9	101.3	16.4
Forgings & Impacts	9.3	9.3	136.4	140.0	-2.6
Total Mill Products	1,013.3	919.6	11,728.4	11,421.7	2.7

Source: The Aluminum Association estimates total industry orders (including orders for imports) based on weekly reports by members of new orders (less cancellations) received. The Association expands these data to total industry utilizing an expansion ratio that attempts to reflect the relationship of reporters to the total industry. Weekly data are available on a subscription basis.
Note: Cummulative data includes revisions for previous periods.
(a) Domestic only. Orders for exports of Can Stock are included in Sheet and Plate, Other.

PRODUCER INVENTORIES UP 66 MILLION POUNDS

Producer inventories increased again in October 1990 to a reported total of 4,105 million pounds. This represents an 66 million pound increase from the revised September level of 4,039 million pounds.

Month-End Aluminum Producer Inventories
(Millions of Pounds)

	Total	Ingot	Scrap	All Other
August	3,976	1,310	624	2,042
September	4,039r	1,349r	636	2,054r
October	4,105	1,394	666	2,045

Source: Bureau of the Census, U.S. Department of Commerce.

CUSTOMER INVENTORIES REPORTED AT 33.3 DAYS

Respondents to the Association's Customer Inventory Survey reported that their Average Days Inventory as of October 30, 1990 was 33.3, down 1.8 percent from inventories reported at the end of September.

Month-End Aluminum Customer Inventories
(Average Number of Days)

August	32.8
September	33.9
October	33.3

Source: Aluminum Association - Customer Inventory Position Survey

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U.S. IMPORTS & EXPORTS (Millions of Pounds)		1990 October	1989 October	1990* 10 Mos.	1989 10 Mos.	% Change 1990 vs 1989
Imports	Mill Products	87.7	74.5	856.0	806.1	6.2
	Ingot	147.5	143.8	1,857.6	1,802.4	3.1
	Total	235.2	218.3	2,713.6	2,608.6	4.0
	Scrap (+ dross)	52.5	52.5	513.9	416.8	23.3
	Grand Total	287.7	270.8	3,227.5	3,025.3	6.7
Exports	Mill Products	95.6	79.2	913.5	942.8	-3.1
	Ingot	132.6	151.6	1,206.2	973.1	24.0
	Total	228.2	230.8	2,119.7	1,915.9	10.6
	Scrap	109.3	101.6	926.4	1,066.3	-13.1
	Grand Total	337.5	332.5	3,046.1	2,982.2	2.1
Net Imports		-49.8	-61.7	181.4	43.1	320.5

Source: Bureau of the Census, U.S. Department of Commerce.
(*) Data may not be comparable to previous years due to changes in trade classifications effective January 1, 1989